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NEWS FROM MONTANA'S CAPITOL
October 1987 issue
(Volume 2, No. 9)

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A Publication from the Office of the
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COORDINATOR OF INDIAN AFFAIRS

Conference - "Indian Uprising"

As was announced in our last issue of "Council Signals", this office, in conjunction with the BIA Area Director's Office, sponsored a conference on economic development at the Billings Sheraton on October 13-14, 1987. The conference was entitled "Indian Uprising" and a great deal of information was shared by all in attendance. One hundred and sixty (160) people were in attendance from all sectors of Indian country. The comment most frequently heard at the conference was that a number of misconceptions had been cleared up by the presenters. Although many people interested in beginning a business enterprise were aware of a number of programs available, there was misinformation or ignorance about the process involved in utilizing those programs or they didn't know who specifically to contact. Many personal contacts were made at the conference and people were able to connect a face with a name. Participants found out that there is technical assistance available at little or no cost and that there are funding sources out there.

The second day of the conference, there was a question and answer session. Conference speakers were available to answer specific questions put to them by conference participants. Everyone involved seemed to feel that this section was the better part of the conference and that the information shared was extremely helpful.

We would like to take this opportunity to thank those persons who attended the conference. It was apparent by the participation of these people that there is a genuine interest in economic development in Indian country. Also, we would like to thank those people who served as speakers during the conference. All of these people did so at their own expense and we greatly appreciate their efforts and time.

As many of you know, it is the policy of this office not to charge any registration fee for any conferences/workshops that we sponsor. We instead ask participants to bring in a non-monetary donation for tribally-affiliated foster homes. We would like to thank those generous individuals who brought donated items to Billings. Each reservation received a number of items to be used in their foster-care program. For those of you who did attend and did not get a chance to bring those donated items in, please contribute to your home reservation's foster care program. As Indian people, we know our greatest investment should be in our young people. Respect for our elders and the nurturing of our young are our biggest responsibilities.

For the benefit of those persons who were not able to attend the conference, the following is a list of conference speakers and where they can be reached.

Richard Whitesell, BIA Area Director
316 N. 26th St.
Billings, MT 59101
(406) 657-6315

Donald L. Clayborn, State Coordinator of Indian Affairs
Cheryle C. Zwang, Asst. Coordinator
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Jerry Christison
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Tom Bergdoll, Region 8
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(303) 294-7075

B.J. Howerton, Indian Desk, Region 8
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Denver, CO 80202
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Norris "Mack" Cole
Bill Williams
Henry Graham
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DBE/WBE Program and Contracting
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Helena, MT 59620
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Wolf Point Community Organization
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Wolf Point, MT 59201
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Lee Dixon
United Indian Development Assoc.
9650 Flair Drive, Suite 303
El Monte, CA 91731
(818) 442-3701

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Ed Aubert
Zana McDonald
Blackfeet Tribal Planning Dept.
P.O. Box D
Browning, MT 59417
(406) 338-7406

Mr. Bill Pratt
Montana Arts Council
35 S. Last Chance Gulch
Helena, MT 59620
(406) 444-6430

Sam Hubbard
Montana Science and Technology
46 N. Last Chance Gulch, Suite 2B
Helena, MT 59620
(406) 449-2778

Dom Nessi
Sandy Lechman
Housing and Urban Devel. (HUD)
1405 Curtis St.
Denver, CO 80202
(303) 844-2861

For further information regarding the conference, please contact Cheryle at 444-3702.

UIDA Publications

Listed below are publications available from United Indian Development Association (UIDA). All of the materials (books/manuals) run about \$45.00 each and give a step by step approach to the subject. Their address is listed under Lee Dixon or Andrew Masiel's name in the conference participants listing.

Tribal Enterprise Development and Management
How to Manage a Business
The Business Plan - How to Obtain Financing
Strategic Planning
Public Relations for Organizations
Team Planning Process
Clerical Skills Improvements Programs
Credit Analysis
Indian Economic Development
How to Start a Business
Proposal Writing and Grantsmanship
Board and Tribal Council Training
Professional Staff Development Programs

Meeting Scheduled

A meeting for tribal LIEAP directors, BIA Superintendents, Tribal Chairmen, Tribal/BIA/Urban Alliance Social Service personnel, and Tribal Court Judges has been scheduled for November 4, 1987 at the Great Falls Vo-Tech Center beginning at 9 a.m.

The meeting will address possible rule/regulation changes involving the LIEAP program and also introduce the aforementioned to Ms. Bea Lunda. Ms. Lunda has been appointed the Indian Child Welfare Specialist

for the State of Montana. We will discuss areas of concern surrounding Indian child welfare.

Also, on the afternoon of November 4, 1987, the Blackfeet Tribal Business Council will be hosting a meeting on tribal taxation for all tribal chairmen and executive council representatives. This meeting will also be held at the Great Falls Vo-Tech and will be chaired by Marvin Weatherwax, Blackfeet Executive Council Secretary.

For further information, contact Cheryle Zwang at 444-3702 or Marvin Weatherwax at 338-7179.

CAPITOL NEWS

Gene Huntington, Director of the Department of Family Services announced the appointment of Bea Lunda from Shelby as the Department's Indian Child Welfare Specialist. Lunda was appointed October 1, 1987. Huntington stated, "All too often there is confusion about who should provide child protective services to Indian children residing on reservations because of jurisdictional disputes. Our goal is to develop cooperative arrangements and greater understanding among our workers and tribal officials so that no child falls between the cracks."

The primary role of the Indian Child Welfare Specialist will be to act as liaison between the Dept. of Family Services, tribal governments, district and tribal courts, and local government on Indian child welfare issues. Resource development and service coordination will be the focus through consultation and technical assistance to tribal, state and county agencies and district courts. Lunda will facilitate training relating to the Indian Child Welfare Act.

Lunda has been involved in protective services to children on the Blackfeet reservation and has assisted in negotiations of tribal/state agreements. She served on the steering committee for Region VIII Family Resource Center based in Denver, Colorado for three years. She is an enrolled member of the Chippewa Cree Tribe.

Lunda's duties will include:

- 1) developing Indian foster homes and other Indian placement resources;
- 2) providing technical advice to tribal, state and county agencies and district court on matters pertaining to Indian child welfare.
- 3) providing assistance in negotiating cooperative agreements to provide foster care services to Indian children;
- 4) conducting training seminars on implementing the Indian Child Welfare Act of 1978;
- 5) applying for and accepting grants and other funds for Indian child welfare activities;
- 6) developing and maintaining a list of attorneys to represent indigent parents and Indian custodians in Indian child welfare proceedings;
- 7) making recommendations to the dept. on legislation and rules concerning Indian child welfare matters; and
- 8) performing duties concerning Indian child welfare matters as determined by the director.

Lunda will continue to perform duties as Program Officer for the Department, as well as acting in the capacity of Indian Child Welfare Specialist. She may be contacted as follows: Bea Lunda, Indian Child Welfare Specialist, Dept. of Family Services, Box X, Shelby, Montana 59474 or call (406) 434-5881.

NOTE: We would like to officially welcome Bea as the Indian Child Welfare Specialist and wish her the best in her new position. This office has coordinated a meeting between Ms. Lunda and Tribal Chairmen, Tribal/BIA/Urban Social Service personnel, Tribal Court Judges, and BIA Superintendents to take place in Great Falls on November 4, 1987. We hope the meeting will serve as a springboard for Ms. Lunda and act as a catalyst to resolve some of the issues involving Indian children.

AROUND THE STATE

U.S. Agents Search Crow Offices Billings Gazette, Oct. 24, 1987

Crow Agency - More than 20 federal agents converged on the Crow Tribal Administration Building Friday to seize records pertaining to more than \$11 million in federal grants and contracts to the tribe.

A search warrant signed by U.S. Magistrate Jack Sanstrom was served at the tribal offices about 8:30 a.m., according to Bureau of Indian Affairs officials. BIA special officers and agents from the Office of the Inspector General of the Dept. of Interior conducted the search. Tribal officials did not return phone calls Friday. In the past, tribal leaders have denied any wrongdoing and blamed their admitted financial problems on the BIA or inaction in Congress. They have maintained that the tribe has plenty of money to cover its debts and expenses, but has been denied access to the cash. An affidavit attached to the warrant by BIA special agent Walter Main, said that he believed "evidence of the crime of embezzlement" would be found in the search. The affidavit said an accountant had informed Main that employee withholdings for federal and state taxes were not delivered to the appropriate agencies. Instead, the withholdings were diverted to a separate checking account and "used to provide a separate payroll to members of the tribe," it said.

According to the affidavit, the BIA agent was told that unemployment on the reservation is high and the alleged diversion of withholdings was a scheme to provide more tribal jobs. An exhibit attached to the affidavit said the balance due IRS in employee quarterly tax returns from Sept. of 1984 to December of 1986 was \$238,725. The last payments made to IRS were for the period ending December 1986, it said. The affidavit said the investigation began in Sept. when BIA officials were told that the tribe was not making required payments to IRS. Agents searching tribal offices Friday were not just looking for records from BIA contracts and grants. They also wanted documents from 10 other federal agency programs including those funded by the Office of Surface Mining, Indian Health Service, Office of Human Development, Family Support Administration, Dept. of Labor, Dept. of Commerce, Dept. of Energy, Environmental Protection Agency, Dept. of the Treasury (Office of Revenue Sharing) and the Dept. of Housing and Urban Development.

Joe Gourneau, assistant area director for the BIA office in Billings, said the Inspector General will be reviewing the records. He said late Friday afternoon that his information indicated the search was running smoothly.

C.M. Russell Acquires Reiss Collection
Montana Artpaper, Fall 1987

The C.M. Russell Museum announces the acquisition of 25 original works by artist F. Winold Reiss, donated by his grandson, Peter T. Reiss and a major oil entitled Oriental Girl In Costume, donated by Reiss' son, W. Tjark Reiss.

Reiss is best known for his Great Northern Railroad calendars, depicting portraits of Indians. He ranks among America's finest portrait painters. Winold Reiss' works are on display in several major galleries, including the national Portrait Gallery in Washington, D.C.

The unique body of work donated to the Museum by grandson Peter Reiss, is a mixed media collection of portraits Reiss completed from study trips to the Blackfeet Indian Nation in Browning, Montana. His first trip to the reservation was in 1919, after which he spent several seasons painting in both Browning and Glacier Park.

Born September 16, 1886 in Karlsruhe, Germany the son of Fritz Reiss, one of Germany's most famous portrait and landscape painters, he attended the royal Academy of Fine Art in Munich, perfecting a technique that allowed him to blend the modern with traditional, thus creating his own unique style. After his death, his ashes were scattered in Glacier Park by the Blackfeet.

Montana Advisory Council News

The Montana Advisory Council for Indian Education met September 28, 1987 in Great Falls, Montana. Chairperson Norma Bixby from the Northern Cheyenne reservation indicated that two major projects that MACIE is involved in are a statewide youth conference which is being planned for the Spring of 1988 and some data collection regarding Indian education which should be completed by December 1987.

MACIE is made up of representatives from tribes and Indian organizations around Montana and is responsible for advising the Board of Public Education and the Office of Public Instruction in matters affecting Indian students.

The next meeting of MACIE will be on November 6, 1987 in Bozeman at MSU Student Union, Rm. 271. For more information about MACIE activities please call Norma Bixby (477-6643) or Bob Parsley (444-3013).

County Nixes Tribe's Public-school Bid
Great Falls Tribune, Oct. 27, 1987

Havre - Hill County Superintendent of Schools Shirley Isbell has rejected a proposal to transform the federally operated Rocky Boy Tribal High School into a state-financed public-school district.

Ed Parisian, school superintendent at Rocky Boy, said the decision will be appealed to the Office of Public Instruction. If that's unsuccessful, he said the tribe may take the issue to court. The high school is currently operated by the Bureau of Indian Affairs under a contract with the Chippewa Cree Tribe. It is financed exclusively with federal dollars. About one-third of its budget is made up by competitive grant money. Public schools in the state are financed largely through the School Foundation Program and Rocky Boy officials believe that would be a more stable source of revenue. Chief among Isbell's reason for last

week's action is the cost to Hill County. Rocky Boy school officials have estimated that public-school status would cost the county about \$83,000 a year for its share of the teacher-retirement and transportation budgets. Hill county currently pays none of the school's expenses. Isbell said that because of the property-tax freeze and the continuing decline in local tax revenue, the county can't afford it. In an interview she noted that Hill County expects to lose about \$2 million in tax receipts this year because of changes in tax laws enacted by the Legislature last winter. The county's taxable valuation also dropped just under 10 percent this year, primarily because of declining oil and gas revenue. Asked if she would have approved Rocky Boy's request if Hill County were in a better financial situation and there was no property-tax freeze, Isbell said, "probably. There wouldn't have been any good reason not to."

Parisian said he expects to win the case on appeal, and said Isbell failed to consider what would happen to the county if Rocky Boy lost its high school, or a significant portion of its funding. He also believes the school, which has about 85 students, could lose its grant money. "There's no assurance we're going to get (the grant money)," he said. Parisian said about \$160,000 of Rocky Boy's roughly \$460,000 budget this year comes from grants. "We're kind of on the edge," he said. But Isbell said that federal financing might actually be a more stable source than state and local taxes, which have been on a general decline the past few years. And she noted there is a strong interest among some lawmakers in consolidating school districts. Isbell says it's possible legislators one day will approve a mandatory school-consolidation bill, which could pose a threat to Rocky Boy if it becomes a public district. "If they lose their BIA funding and there's a push to consolidate schools, they could lose everything," she said.

"I don't buy that at all," said Parisian. "I think that issue was defeated strongly in the last Legislature." Parisian added that the issue of consolidation, if it arose, would be a local concern among the districts in the county, not something forced from Helena. Finally, Isbell said she doesn't see how education at the high school would improve simply by becoming a public district. Rocky Boy already meets state, regional and federal standards. "I don't see how they'd be better. They're already accredited by three different institutions," she said. Parisian said Isbell's assumption that his high school is delivering a high-quality education is correct. But it's the future he's worried about. "I don't think she understands. Sure, we're an excellent school right now. But we are excellent because we've got a good grant writer...Sure, we're doing fine now, but we're looking at the future," he said.

Rocky Boy school officials tried once before to form a public district in 1981, but failed. Rocky Boy Tribal High School opened in 1979. The Rocky Boy elementary school is already a public school district.

Reservation Hunting and Fishing Billings Gazette, 9/29/87

Gov. Ted Schwinden, in a meeting with tribal leaders about hunting and fishing on the Flathead Indian Reservation, said the state won't

compromise individual rights. But he said the Confederated Salish and Kootenai tribes also have rights. And he said if the talks between the tribes and the state end without an agreement it could cost a lot of money to sort things out in court. At issue is tribal jurisdiction over non-Indians on the Flathead reservation, including tribal management of fish and game on non-tribal land within the reservation.

Welfare Violations Denied

Great Falls Tribune, Oct. 27, 1987

Former Rocky Boy's Indian Reservation councilman Gary Eagleman on Monday denied a federal charge that he let reservation welfare rolls swell with ineligible families or sought to trade money for political popularity. While he testified that he might have been a "soft touch" at times when tribal members came asking for general-assistance payments because of their need, Eagleman told a federal-court jury that "I am innocent of these charges. I have never tried to embezzle."

Eagleman and present Council Chairman Rocky Mountain Stump and Council member Raymond Parker Sr., all of the Box Elder area, went to trial last week on charges that between 1983 and 1985 they violated Bureau of Indian Affairs regulations in distributing general-assistance money to Indians in recent years. Stump is charged as tribal chairman and Parker and Eagleman as former chairmen of the council's welfare committee. U.S. District Judge Paul Hatfield, who is presiding over the case, has indicated testimony and closing arguments will be today. The charges stem from a 1985 audit of the tribally run general assistance program. None of the defendants is charged with taking federal money for his own use. Asst. U.S. Attorney Carl Rostad has contended that the officials nearly doubled the reservation's welfare roles by approving general assistance for families that: had other income; lived outside the Rocky Boy's reservation; or lived with an employed spouse.

Eagleman acknowledged that he didn't study BIA welfare regulations when he began hearing welfare appeals in 1985, and said he typically approved the appeals he heard. FBI agent Frank Wilmot has said that Eagleman once referred to making eligibility decisions for "politics" when he talked to Wilmot during an investigation, Eagleman denied any suggestion that he traded welfare benefits for political favor. Eagleman said he left the tribal council because of high blood pressure in 1986 and later received some general assistance himself because he was unemployed. In other testimony Monday Harriet Standing Rock of Box Elder, a former social-services coordinator for the tribe, testified that welfare committee members at times overruled her when, using BIA regulations, she found some applicants ineligible to receive welfare benefits. Rostad questioned Standing Rock about approximately 20 names of welfare other recipients for one period in 1985 that he said Standing Rock had indicated to the FBI as some of the ineligible ones.

Witness Marilyn Sutherland of Rocky Boy, a former social services staff member who said she checked tribal records over the weekend, testified that none of those payments had specifically been authorized by Stump, Eagleman or Parker. She also said welfare department staff members were unable to stay ahead on the details of the 300 to 600 cases they handled each month. The welfare payments started with \$38 every two weeks for a single person without housing expenses, \$106 for a single with shelter needs and more money for people with children, she said.

Montana Indian Education Association Convention

The Montana Indian Education Association Convention is being planned for March 20-22 in Kalispell at Cavanaugh's Motor Inn. For more information contact Peggy Nagel, MIEA Pres., at 395-4209.

Irrigation Disputes

Billings Gazette, 9/29/87

Congressman Pat Williams has termed a session between tribal and irrigator representatives from the Flathead Indian Reservation "a very amicable one." The groups met Friday in Kalispell to discuss ways to resolve differences over management of the reservation's federally run irrigation project. Major disputes over in-stream flows and management of the electric power system are in litigation. Williams, who sponsored the session, said the two sides found some common ground in discussing safety problems affecting dams on project reservoirs, and they agreed to meet again.

Montana Association for Bilingual Education Conference

The Montana Assoc. for Bilingual Education is planning their annual conference in Billings during the second week in June, 1988. The first planning meeting for the MABE Conference along with the annual Teacher Training Institute at Eastern Montana College will be held on Monday, November 9, 1987. For more information, contact Karen Watembach (EMC) 657-2172 or Angela Brenz-Spall 444-2423.

Domestic-abuse Laws

Billings Gazette, 10/9/87

The Blackfeet Tribal Council has passed stricter domestic abuse laws for the reservation. Last week, the council approved a law requiring law officers to make an arrest and press charges against a person when there is evidence that domestic abuse has occurred. "If the charges are not pressed, a written report will have to be filed stating why (the officer) didn't press charges," said Christine Cobell, a spokeswoman for the Behavioral Health Center at the Blackfeet Community Hospital in Browning. Under old laws, officers had to witness domestic abuse in progress before they could make an arrest or press charges, she said. She said the change takes some of the responsibility off the victim. "Most often the spouse is afraid to press charges, because if she would go back into the home she would be beaten up again," Cobell said. She said the Browning police receive 15 to 20 calls a week on domestic abuse.

Housing Contract

Billings Gazette, 10/9/87

A \$5 million contract to build 100 new housing units on the Blackfeet Indian reservation has been awarded to a Washington state firm, and construction would begin within two weeks, officials say. Scott Sherburne, administrator for the Blackfeet Housing Authority, said this week that 75 new units will be in Browning, 15 at Heart Butte, and 10 at the

Housing Authority complex near Cut Bank. The financing came from a U.S. Dept of Housing and Urban Development (HUD) grant, and the tribe had to compete with 180 other housing authorities for the money, he said. The Blackfeet Housing Authority recently was awarded a separate \$1 million grant, with at least 75 percent of the money earmarked for improvement to water and sewer systems in Browning. Sherburne said part of that grant has been used to drill six test wells near Willow Creek, which will nearly double the water supply to the town.

Low-income Tenants Driven Out by Rent
Great Falls Tribune, 9/28/87

Poplar (AP) - Skyrocketing rent for some low-income housing on the Fort Peck Indian Reservation discriminates against employed tenants, according to at least one tribal official.

Some tenants in low-rent housing say they've been asked recently to pay anywhere from \$400 to \$850 a month in rent, and the expense is forcing them out of their homes. Rent for low-income housing is based on 30 percent of a family's gross income, with adjustments made for utility cost, dependents and various living situations.

Iva Grainger, executive director of the Fort Peck Housing Authority, said some tenants probably saw big jumps in their rent because they hadn't been recertified recently. She said the housing authority has been lax about verifying incomes and recertifying tenants on a regular basis, and is trying to correct the problem.

Blackfeet Firm's Success To Be Honored
Great Falls Tribune, 10/7/87

The Blackfeet Indian Writing Company will receive an award today from the Small Business Administration for having the state's top minority enterprise development program.

The Blackfeet Indian Writing Company produces pens and pencils for national distribution. The presentation will be made at 10:30 a.m. at the company's headquarters at the Browning Industrial Park. Officials from the Helena SBA office and the Governor's office will make the award to Joe McKay, president and chief executive officer of the company, and to Earl Old Person, Chief of the Blackfeet Indian Reservation and chairman of the board for the company.

According to SBA documents, the writing company was founded in 1971 by the Blackfeet Tribe and a small group of private investors to help alleviate the high unemployment on the reservation. The company first built its sales base on government contracts and in the mid-1970's the company had more than \$1 million in such contracts. But those contracts were lost in the late 70's to a company for the handicapped. At that point, the Blackfeet company worked to become competitive in private markets.

In the past three years, the company has dropped from 115 employees to 75, but sales have increased dramatically. The company now does about \$4.5 million in annual sales, of which less than 3 percent is on government contract. According to information provided by the SBA, the Blackfeet company has had to overcome such drawbacks as being geographically isolated from suppliers and markets and difficulty with financing.

The company has been lauded for its efforts begun last year in fighting drug and alcohol abuse. Chief Old Person has toured the nation in a "Say No to Drugs" pencil program. Retail participants include K-Mart, People's, McCrorey's and REVCO. One of the company's primary developments, according to the SBA, has been its successful transformation from all non-Indian management to all-Indian management.

Tribe Stands to Lose Health Contract
Great Falls Tribune, 10/7/87

Billings (AP) -- The Crow Tribe risks losing its Indian Health Service contracts if it doesn't come up with a plan to resolve its financial problems in two months, IHS officials say. IHS has about \$600,000 worth of contracts with the Crows, said Duane Jeanotte, Billings-area IHS director. He said Monday that programs on the reservation would continue as before, but they would be managed by the federal government. During the next 60 days, the IHS wants the tribe to work out a plan to pay a \$350,000 debt to the Internal Revenue Service for income tax withholdings, said tribal member Bob Kelly. IHS also wants the tribe to establish a separate bank account for its programs so money from IHS can be tracked, and so it cannot be confused with money from other programs.

AT THE FEDERAL LEVEL

New IHS Rules to Affect Coverage
Billings Gazette, 10/7/87

New regulations will increase the number of Indians in the Billings area who will be receiving benefits from Indian Health Service (IHS) as of March 16, 1988. But it may also mean that some who were previously eligible no longer qualify.

No statistics are available yet on how many will be added and subtracted from IHS rolls, according to Garfield Little Light, contract health officer at the Billings Area IHS office. He said the BIA is now in the process of compiling lists of people who qualify.

To be eligible under the new regulations, patients must be members of federally recognized Indian tribes and reside within a service delivery area. A delivery area consists of an Indian reservation and all the counties that border or contain part of the reservation.

Also eligible are children under 18 who have at least one natural parent enrolled in an Indian tribe. Spouses of enrolled Indians remain eligible for maternity care. College students and foster children living outside the service area will also be covered. Enrolled Indians who move out of the service area will be covered for 90 days to give them time to find health care alternatives such as insurance.

Under the old regulations, anyone with Indian ancestry living on a reservation was eligible for direct care at IHS facilities, Little Light said. But if he lived off reservation, contract care was not available unless he was a member of the tribe on the reservation where he sought services.

Contract care means health services provided at private or public hospitals at IHS expense. Referrals for contract care can only be made through IHS service units.

Under the old regulations, a number of non-Crow Indians in the Billings area did not receive contract care through IHS. Under the new regulations, many of those people will now qualify for the full spectrum of IHS services. That will probably mean an increase in the number patients served at major IHS facilities, such as the hospitals located on the Crow and Flathead reservations, Little Light said.

Some Indians living within the service area will lose their eligibility under the new regulations because membership in a recognized tribe will be the criteria, not merely Indian ancestry. For example an Indian with parents from different tribes, but who is not enrolled in either, would have been eligible under the old regulations, but will be excluded under the new.

When eligibility criteria were first proposed more than a year ago, IHS had suggested that $\frac{1}{4}$ Indian blood quantum be established as the requirement for eligibility. But according to the report in the Federal Register on Sept. 16, about 16,000 of those who commented on the proposal opposed blood quantum as a criteria. Many tribal leaders argued that a blood quantum set by a government agency interferes with tribal rights to determine their own membership. IHS agreed and changed the blood quantum requirement to a tribal enrollment requirement.

The new regulations take effect March 16. For six months after that, people who no longer qualify will still receive benefits provided that they have taken advantage of IHS services somewhere in the last three years.

Bill Would Recruit IHS MD's

John Melcher's Report to Montana, Oct. 87

Large numbers of doctors, nurses and technicians are leaving the Indian Health Service because of low salaries and poor working and living conditions. Unless immediate steps are taken to meet this crisis, Indian health facilities on reservations in Montana and other states will have to close.

To recruit and retain doctors, nurses, dentists and other staff in the Indian Health Service, I have a bill that sets up a loan repayment program to pay the medical school bills of doctors, nurses and technicians in exchange for an obligation to serve at least two years in the Indian Health Service on a reservation. Those who renew their contracts for additional service get a cash bonus.

Recruiting and keeping professionals for the Indian Health Service is necessary or medical care for Indians will have to be contracted out off the reservations. That would be both more expensive and more remote from the patients.

Hodel Threatens Veto of Bills on Indian Schools

Indian News, Vol. 11, No. 30, 10/13/87

Washington - Interior Secretary Don Hodel has advised the chairman of the Senate Select Committee on Indian Affairs that he will recommend the President veto a bill to legislatively recognize each Bureau of Indian

Affairs school. S. 1645 and a portion of H.R. 5, currently under consideration by the committee, would substantially amend Title XI of the Education Amendments of 1978 (P.L. 95-561) and would strip the federal government's executive branch of authority over the schools. "I want to take this opportunity to advise the Committee that, if enacted in its current form, I would be compelled to recommend to the President that this legislation be vetoed," Hodel wrote to Committee Chairman Sen. Daniel K. Inouye (D-Hawaii). "These measures constitute an unjustified and unwise intrusion upon Executive Branch prerogatives. By legislative recognizing each Bureau of Indian Affairs school and our existing regulations, the bill precludes effective executive oversight of these activities. Moreover, the bill would undercut the very goal we all seek - improvement of Indian educational programs for all Native Americans," Hodel added. Ross Swimmer, the Dept's assistant secretary for Indian Affairs, said he strongly opposed the bill during testimony before the Senate Committee Sept. 29.

In Congress Indian News, 10/13/87

Sen. Daniel K. Inouye (D-Hawaii) introduced an amendment Sept. 29 that would increase funding for Indian Self-Determination contract support by over \$3.8 million. The increase is offset by reductions in BIA natural resources development, trust responsibilities, and general administration.

Sen. John McCain (R-Ariz.) introduced an amendment Sept. 29 to provide incentive for Defense Department contractors to provide subcontracts to Indian organizations and Indian-owned businesses. The sec. of Defense would be directed to provide "an incentive for defense contractors to receive an amount equal to five percent of the subcontract awarded to an Indian business firm."

Sen. Alfonse D'Amato (R-NY) entered a statement into the Congressional Record describing the contributions of the Iroquois Confederacy of Nations to the development of the U.S. Constitution.

BIA & Census Bureau Sign Agreement on 1990 Census
Indian News, October 19, 1987

The BIA joined the U.S. Census Bureau Oct. 13 in signing a "memorandum of understanding," which will establish a cooperative program designed to ensure the accurate count of American Indians and Alaska Natives during the 1990 Census. "This agreement will benefit the mission of each agency by providing an improved portrayal of federally recognized American Indian lands and Alaska Native communities for use in federal, state, tribal and village programs," according to the agreement.

Under the MOU, the Census Bureau will produce maps of the Indian lands it plans to use for the 1990 Census and share them with tribal governments and the BIA for review.

Tribal governments that disagree with Census Bureau maps can challenge those boundaries by filing out a three-part Census form, which

goes directly to the BIA for review and correction if necessary. The BIA agrees to provide a list and maps to federally recognized Indians reservations as part of the MOU. "I am very pleased with this agreement," said Joe Gorrell, an Interior Dept. official who signed the agreement. "I hope that tribal leaders will feel assurance that a good, accurate count of the Indian people will take place for 1990. I commend the Census Bureau for its cooperative attitude and willingness to work with the BIA and the tribes." "This is a first of its kind, a milestone event which will lead to frequent, candid and productive relationships," said John Keane, director of the U.S. Census Bureau. "There has been a joint one and half year effort between the BIA and the Census Bureau staffs to develop this memorandum of agreement. That work will be justified by frequency and quality of future cooperation and by results which will improve the 1990 Bicentennial Census. "Our goal is to improve the accuracy of the count of American Indians and Alaskan Natives. We will also work together to expand the availability of data for use by those populations in 1990 and beyond," he added.

Swimmer Opposes Development Act
Indian News, October 19, 1987

Assistant Secretary of the Interior Ross Swimmer commended the Senate Select Committee on Indian Affairs for its interest in economic development on tribal lands but said he could not support a bill that would require the Interior Dept. put up \$85 million in loans and guarantees for a proposed Indian Development Finance Corporation. The Senate select committee, which held a hearing on the bill Oct. 15, also would allow the new corporation to be capitalized through the sale of 200,000 shares of common stock and 80,000 share of preferred stock. "We do not believe that a new source of investment capital is the answer," Swimmer said. "For the past several years we have been unable to allocate all of the BIA money available for business projects although our money is available for the greatest risk projects. Instead, Swimmer said that the BIA should be working with private sector venture capitalists to start businesses. He said it is possible for tribes to use their own trust funds to set up a venture capital operations. Swimmer said the BIA would work with the committee to explore other avenues "to attack this very serious problem in Indian country."

HAC News
October 22, 1987

FY 1988 FmHA housing appropriations bills marked up by Agriculture Subcommittees on Appropriations in House and Senate. Figures are the same as F& 1987, with two exceptions: the House reduced Section 502 funds by a reported \$102 million, to \$1.21 billion. The Senate increased Section 533 funds (Preservation Grants) marginally, to \$20 million.

HUD announces deadline dates for submitting applications for CDBG Program for Indian tribes and Alaskan Native villages for FY 1988 (Fed. Reg., 10/13/87, p. 38022). Deadlines, which vary by region, range from Nov. 18 to March 31. Contact Leroy P. Gonnella, HUD, 202/755-6092.

Dept. of Health and Human Services will soon announce regulations that would strictly limit to 30 days any form of emergency assistance states provide under Aid to Dependent Families with Children (AFDC). Also, the regulations would prohibit rental assistance under AFDC "special needs" provision. The ultimate effect of these provisions would be the withdrawal of federal funds to assist homeless AFDC families. Contact Brenda Russell, City of N.Y. (D.C. office) 202/393-3903.

COURT CASES

TERO case dismissed

Indian News, Sept. 14, 1987

A federal district judge in Montana dismissed a lawsuit Sept. 2 that challenged Indian preference requirements for the Crow Tribal Employment Rights Office. The lawsuit was filed against subcontractors who worked on the Interstate 90 project across the Crow Indian Reservation.

GENERAL INFORMATION

1987 Indian Achievement Award Winner Announced

John E. Echohawk (Pawnee) was awarded the 1987 Indian Achievement Award by the Indian Council Fire, at its annual dinner held on September 26th in Chicago. The nation's oldest urban Indian organization, the Indian Council Fire was founded in 1923 and established its achievement award in 1933. Echohawk was honored for his outstanding leadership in the field of American Indian law. Echohawk has been with the Native American Rights Fund (NARF), since its inception in 1970, and has benefits executive director for over the past decade. Under his leadership, this national public interest Indian law firm has been at the forefront of major legal battles to help Indians retain or regain their legal rights. Echohawk reside in Boulder, Colorado, with his wife and two children.

Challenge Grants for Endowment Development

Montana Artpaper, Fall 1987

This September, twelve Montana arts and historical organizations are gearing up funding drives to develop a new revenue source. The 1987 Montana legislature awarded \$290,000 in grants to help establish permanent endowments. Augmented by matching funds of \$870,000 in cash, insurance, trust, or appreciated property, this unique program will create 1.2 million dollars in endowments. Approximately \$100,000 in interest income will be available annually to help these organizations meet their long range funding needs.

These groups include the: Alberta Bair Theatre for the Performing Arts (Billings), Billings, Symphony Society, Copper Village Museum (Anaconda), Gallatin County Historical Society (Bozeman), Garnet Preser-

vation Association (Missoula), Great Falls Symphony, Missoula Children's Theatre, Montana Chorale (Great Falls), Missoula Museum of the Arts, Missoula Symphony Association, Shakespeare in the Parks (Bozeman), and the University of Montana Fine Arts Department (Missoula).

Interest or dividend income from endowment principal can be used by non-profit groups to provide up to one-third of their annual gross revenue. Montana's cultural organizations are encouraged to explore this revenue source. Application preparation involves substantial research and planning, so interested groups are urged to begin planning well in advance of the Sept. 1, 1988 deadline. For more information about Challenge Grants for Endowment Development call Bill Pratt, Director of Organizational Services at the Council Office (406) 444-6430.

Business Retention Given Renewed Priority Inside, July-Sept., 1987

The Business Assistance Division has created a new position specifically to maintain and develop established businesses and employment in Montana. The division's new Business Retention Officer, Bob Heffner, will focus state, federal and local resources in order to help Montana businesses achieve stability and growth.

Working with local development corporations, the Montana Ambassador's program and other government agencies, Heffner will provide consulting and assistance services in marketing and promotion, personnel management and training, finance and loan packaging, and production technology. One of his first program concerns is to establish a referral network to identify businesses that could profit from these services - whether to sharpen management skills, defend market share, or finance and organize for growth.

Heffner is an experienced small business owner, with 12 years background in both the construction and retail foods industries, and has a master's degree in regional planning. Part of Heffner's responsibility is to act as a business advocate in state government, and to work to find legislative or regulatory solutions to commonly identified business problems. If you have a business, or know of one that could profit from this program, contact Heffner directly at the Business Assistance Division, Dept. of Commerce, 406/444-3923.

Fraud in Indian Country - A billion dollar betrayal

Reprinted from Arizona Republic with permission. Chuck Cook, Mike Masterson and M.N. Trahant were reporters of this series of articles.

Austin Walker was a homeless, jobless and destitute Creek-Cherokee Indian who should have been a millionaire. But he was denied the money due him because government attorneys representing the Bureau of Indian Affairs (BIA) failed - criminally, some claim - to represent him.

The government lawyers joined an oil company to pass off a black man, also named Austin Walker, as a Creek-Cherokee Indian. They then allowed the man, identified as a "full-blood Negro," to sign an oil and gas lease on the Indian Walter's allotment land in Creek County, court records show. And those same government attorneys stood by as more than \$1 million worth of oil and gas was pumped from the Indian's allotment,

then opposed Walker in court when he fought for the money that was due him.

Walker's problems paint a striking story that shows why Indians nationwide are losing confidence in government lawyers acting on their behalf. That trust is being eroded by what some claim is growing legal malpractice on the part of federal attorneys assigned to represent Indian interests. Walker is by no means an isolated example, as discovered by The Arizona Republic.

His case-along with another filed by the heirs of Susie Chuwee Blackwood in Oklahoma and a third by a group of Indians against Sanguine Ltd., an Oklahoma oil company are graphic examples of how some government attorneys and BIA officials seemingly work against the very people they are sworn to represent. In the Walker incident, government attorneys participated in a lease-fraud case that has left even veteran Oklahoma jurists and oilmen shaking their heads.

In the Blackwood episode, which, like the Walker case, was handled by the Interior Dept's regional solicitor in Tulsa, federal attorneys tried to force Indians to sign an oil and gas lease agreement that clearly was not in their best interest.

Walker's battle with the government to claim his money began in early 1983, when a small oil producer, Bristow Resources Inc., tried to lease his Indian allotment land in an oil-rich area southwest of Tulsa. The Austin Walker who owns the land lives quietly in Black Gum, about 80 miles from the allotment area. BIA officials said they could not locate Walker but Bristow Resources found a black man with the same name in Sapulpa. With attorneys from the Interior Dept's regional solicitor's office looking on, a state district judge on Feb. 10, 1983, certified the black man as a 7/8 Creek-Cherokee Indian. The 66-year-old imposter said no one ever questioned his race when they were certifying him as an Indian. Once certified, the Bristow company paid him \$4,000 to lease the land. Using that bogus lease, the oil company drilled on Walker's land - and hit pay dirt, pumping \$1.3 million worth of oil and gas. Phil Eliea, owner of the oil company, could not be reached for comment but the firm's accountant, Ralph Osborne, said Bristow Resources would make no comment since the Walker case was still in litigation. Bristow Resources is operated out of the same office as Phil's Used Cars in Bristow.

In Sept. 1983, Walker, the Indian, went to the BIA office in Muskogee to collect about \$80 he received annually for leasing his Creek County property to a livestock producer - the same rich, oil-producing land then being drained by Bristow Resources. But there was no money in Walker's account. He found that Rex Herren of the Interior Dept's regional solicitor's office had canceled the livestock grazing lease. Walker called the office and Herren, who had represented the BIA when the black man was falsely certified as an Indian, told him to come to Tulsa at once. Walker, 46, had no money and no car, so he hitchhiked to Tulsa. There, he met with Herren and produced documents showing he was both Indian and the actual owner of the land, something the black man later said he was never asked to do.

The appearance of the Indian Austin Walker touched off major chaos and a flurry of frantic phone calls. Herren called the state judge who had certified the black man as an Indian. The judge telephoned attorneys for Bristow Resources. Those attorneys called Herren repeatedly. During those phone calls, the Bristow firm's attorneys told Herren about three

producing oil wells, court records show. The company was put in the position of having major oil wells on land to which it had no legal rights. Herren told Bristow's attorneys where to reach the Indian Walker. Bristow sent Veta Germane, a company employee, to persuade Walker to sign a legal lease. When Germane found Walker, the Indian had just completed an auto-mechanics course at a trade school in Okmulgee. He had no home, no money, and, according to court records, was living out of his cousin's car. Germane gave Walker \$500. Walker said in an interview with The Arizona Republic that it was clear that the money obligated him to accept a lease. He said he called Herren, who told him he could cash the check. Germane then told Walker that Bristow Resources would pay him \$4,000 for the oil and gas rights on his land, a sum that turned out to be a fraction of the land's worth. Walker also said he wasn't told that oil already had been pumped from his land by the company. "I didn't know a thing about the oil and gas, and at that time, I was broke, so \$4,000 sounded like all the money in the world to me," Walker told The Republic. "So I said for sure that I'd sign it."

In addition to Germane, Bristow Resources hired as a consultant Harold Schultz, who recently had resigned as a government attorney in the Tulsa solicitor's office. Court records show Schultz agreed to represent Walker at a state District Court hearing, which is necessary to validate Indian oil and gas leases in Oklahoma. Herren testified in court he "relied on Schultz (who was working for the oil company) to represent Austin Walker rather than assume the duties himself" as solicitor. This is unusual, because the solicitor's office is charged with representing Indians in such matters.

On Oct. 14, 1983, Herren met with state District Judge Streeter Speakman, who earlier had certified the black man as an Indian. At that time, court records show, Herren told the judge about the oil production on Walker's land. Instead of being advised by the solicitor's office at the lease hearing, Walker in the end was represented not by Schultz by another Bristow Resources attorney. U.S. District Court Judge H. Dale Cook wrote this year in a lawsuit brought by Walker against the United States that the government's allowing an oil-company lawyer to represent Walker in the lease hearing amounted to "a complete breakdown in the fundamental principles of legal representation." "Bristow Resources and Austin Walker were in an adversarial position, in that Walker would expect to receive the highest price possible for a lease," Cook said.

He didn't. On a lease worth at least hundreds of thousands of dollars, Walker received only \$4,000, and the federal lawyers who were supposed to represent him approved the deal. Court records show Herren actually urged Walker to sign the lease with Bristow Resources, telling him \$4,000 was a "fair price." During the lease hearing in state court, the federal judge later noted, Walker was the only person in the courtroom who still did not know there were producing oil wells on his land.

There were other irregularities. Normally, Indian lease hearings in Oklahoma courts are held on the same day of each month so oil-company representatives can be present to bid competitively. But in Walker's case, the state judge set an "accelerated hearing date." Cook, the federal judge, called the state court actions "fatally flawed." And he rebuked the BIA attorneys who were supposed to represent Walker. "There is no justification for the Dept. of Interior to permit this type of procedural masquerade, wherein the government's trial attorneys know

firsthand that the private attorneys filing these petitions (for Walker) are bought and paid for by the Indian's adversary," Cook found.

He blasted the federal attorneys for "negligence and a breach of their statutory duty to represent the best interests of their client. Indians within .. the tribes who are title holders on restricted Indian land."

Walker said he took the \$4,000 after the lease hearing in state court and "felt like a king." He then went to Bristow's office and signed a document he thought was part of the settlement agreement. In essence, it was a legal document releasing about \$300,000 in accumulated royalty fees. But Walker's relatives who worked for the BIA in Muskogee told him soon after he accepted the \$4,000 that something was wrong with the Bristow deal. Walker ended up retaining John D. "Rocky" Boydston, a Tulsa attorney. And that led to the federal suit before Judge Cook. Boydston said he immediately realized the deal was a sham and Walker had been the victim of a million-dollar fraud. At first, he tried to get Interior Dept. and BIA officials to help Walker recover his money. They refused. In a July 10, 1985 letter to Justin P. Patterson, asst. solicitor for the Interior Dept. in Washington, Boydston wrote: "You obviously don't know much about Indian law, legal ethics or oil and gas. I assume from your response that you also don't know about or care about the problems Indians have with oil companies and government bureaucracy." Boydston further warned, "What you have just brushed aside is the making of a major scandal, for which you will bear a major responsibility in exposing to public light."

But the government wouldn't budge. Instead of helping Walker, it became his legal adversary. Boydston requested a criminal investigation, but the U.S. Attorney's office in Tulsa refused to act. He then filed suit against the government on Walker's behalf in federal court at Tulsa. In a July Interior Dept. inspector general's report, investigators noted that after Walker filed the lawsuit, "the Walker file was discovered to be missing" from the Tulsa regional solicitor's office. The file was found two weeks later, but critical notes related to the case were missing and have never been found.

During the trial, government attorneys attacked Walker. They presented as witnesses three government appraisers who testified that the \$4,000 price paid for the lease on the producing oil and gas land was a fair arrangement. The federal judge, obviously angered by their version, called their testimony "incredible, unworthy of belief and not regarded by this court as reasonable." On March 19, Cook awarded Walker \$685,368. Walker still has not collected the money, and the government has filed a notice of appeal. Herren refused to be interviewed when contacted by The Republic, saying only, "I think, obviously, an error was made." He would not say who he felt made the error. BIA Director Ross Swimmer admitted officials from his agency and the solicitor's office were "guilty of omission" in the Walker case. "I'm not sure they've determined there's any activity where anybody got any money out of the deal," Swimmer said. "I think it was a royal screw-up, and I think if you track it down from Day 1, that all the controls that were in place failed."

Soon after Cook's ruling, the head of the Tulsa solicitor's office retired, and Herren resigned. Herren's actions in the case were recently investigated by the interior inspector general's office. Investigators concluded Herren had acted improperly in the case but found no criminal

intent. They added that he had violated regulations by failing to disclose the interest he held in oil and gas wells in Oklahoma. But they allowed him to amend his disclosure statement. Roger Hilfiger, U.S. attorney for the Eastern District of Oklahoma, based in Muskogee, considered prosecuting Herren on charges of making false statements, criminal conflict of interest and perjury. But, the investigators said, "Hilfiger does not feel there was any criminal intent in this case by Rex E. Herren." Ironically, Hilfiger was representing Herren in the civil suit filed by Walker at the same time this decision not to prosecute was reached. Additionally, the investigators reviewed Herren's actions in a case involving the heirs of Susie Chuwee Blackwood, also of Oklahoma. As with the Walker case, they concluded he had acted improperly but without criminal intent. In that case, Herren and the solicitor's office wanted Blackwood's heirs to sign a lease agreement for mineral rights on their land against the advice of BIA realty specialist Harold Wade of Tahlequah. Wade told them the lease was not in their best interest because they apparently were owed money for previous lease royalties that had accumulated since 1969. When Wade refused to go along with the lease, he was ordered by the solicitor's office and officials of the Muskogee BIA area office to get the lease signed. Wade refused and was disciplined for that refusal.

Herren then took an Indian BIA employee with him and went to the family and persuaded them to sign the lease. Wade said he refused to have the lease signed because records showed that an oil company had been producing oil and gas from the property since 1957. But, he said there was no record of the Blackwood heirs' ever signing a lease or receiving royalty payments.

In another case in Oklahoma, a U.S. District Court judge allowed a group of Indian landowners to intervene in a lawsuit against the BIA by Sanguine, Ltd., an oil-production company that was attempting to force the federal agency to pool oil revenues of Indians and non-Indians. State law in Oklahoma allows pooling of revenues under a procedure called "communitization". A favorable decision would have allowed non-Indians to share Indian royalties, the Indians claim. The Indians successfully argued the Anadarko area BIA director, at that time, Stanley Speakes, had not represented their best interest in dealing with Sanguine. Speakes is now area director for the BIA in Portland, Ore. A federal appeals court found, "Counsel for government defendants agreed the area (BIA) director's actions were unlawful."

The incidents in Oklahoma apparently are not isolated. Indian leaders, BIA employees and even a former president agree the system is one ripe for corruption. Then-President Nixon recognized the danger of federal lawyers' representing both Indians and the government as early as 1970. Nixon said those legal battles often place the government "with an inherent conflict of interest."

They're Draining Him Dry - Indian not given penny as drillers siphon oil
The Arizona Republic - reprinted with permission

The Key Points: 1) The government has stood idly by as oil companies unlawfully siphoned an estimated \$5.7 billion worth of oil and gas from beneath federal and Indian lands. 2) the problem is so large, and so ignored, that the Bureau of Land Management has a 53-year backlog of investigations. 3) Recent audits show the government could recover much

of its losses by adding inspectors, but officials refuse to do so.

Ponca City, Okla - Press Primeaux's home sits on a wealth of oil and gas reserves. From his front door, he watches large oil rigs with their praying-mantislike heads sucking oil day and night from thousands of feet beneath his 120 acres. But the frustrated, full-blooded Ponca Indian has not received one cent from the oil and gas being drained from under his property. While federal agencies have ensnarled Primeaux's land in a knot of bureaucratic red tape, oil companies have drilled 10 producing wells on adjacent non-Indian land and have pumped more than \$2 million worth of oil and gas from them. Part of that came from under Primeaux's land. In his case, and thousands of others around the country, federal agencies are allowing oil companies to take oil and gas from beneath Indian and federal land without paying royalties on it. Many of these cases constitute outright theft or fraud, stemming from a practice called "drainage". It occurs when several plots of land sit atop a single pool of oil or gas and one or more property owners take a disproportionate share.

The Interior Dept's Bureau of Land Management, which is supposed to monitor drainage nationwide, has grossly failed to correct the problem. An analysis of a recent federal audit, obtained by the The Arizona Republic under the Freedom of Information Act, shows this malfeasance has deprived Indians and the government of royalties from possibly \$5.7 billion in oil. The problem is so acute that the BLM has more than 8,400 drainage cases on Indian and federal lands it has not investigated and only 16 people nationwide assigned to the job. With that caseload and staffing, federal auditors calculated it would take the agency 53 years just to clear its current backlog.

Marlyn Jones, a BLM specialist in Denver who is studying the government's policy on the drainage problem, acknowledged, "It is difficult to pinpoint losses. From one perspective, things look pretty bleak. It's evident the problem needs more attention, and the bureau is giving it more attention." Geologists have told Primeaux that his land sits atop a large pool of oil and gas. The Ponca, who is disabled from a hand and leg amputation and must undergo kidney dialysis as a result of chronic diabetes, is frustrated because federal officials hold his oil-rich land in trust and will not lease it. BIA officials contended in a recent letter to Primeaux that the land already is leased, although documents clearly show a lease on the land expired almost a year ago. When he tried to get the BIA to take action, Primeaux claims agency officials tried to extort \$900 from him just for putting his land on a lease list. He refused and reported the incident to the Interior Dept's office of Inspector general, which is investigating those allegations.

Ray Springwater, a realty officer at the Pawnee agency who supposedly asked Primeaux for the money, denied any wrongdoing. He acknowledged telling Primeaux that he may have to pay that much but said the money was not for a bribe but was to cover advertising and lease sale costs in case no firm wanted the oil rights. "I told him if we didn't get bids, he would have to pay for that sale," Springwater, a full-blooded Cherokee, said.

Under federal law, the BIA and BLM are supposed to ensure that Primeaux is paid for the oil that is siphoned from under his land. "If they would pay us for our oil and gas, it would sure help us over the hump financially," Primeaux said. "I've made several calls to the BLM

complaining about drainage, but they refuse to make an on-site inspection. How can they say there's no such drainage if they don't come here and look? I don't think these people are qualified."

BLM officials argue that there's no drainage on Primeaux's land. However, Marvin Blubaugh, a veteran Ponca City oilman, disagrees. "They're draining him dry," Blubaugh said.

Similar stories abound throughout the nation, auditors say. They found cases in which a company holding a lease on Indian or federal land also has oil and gas leases on adjacent property. In many cases, the leaseholder drills on the adjoining land because royalties paid to Indians and the federal government usually are higher since leases on those lands are auctioned to the highest bidder. Even if the BLM wanted to take immediate action to collect the billions that are literally being stolen from the government and Indians, auditors indicated that the agency is so disorganized and incompetent it probably could not. The inspector general's audit found that none of the BLM's 15 area offices had an adequate program to deal with this costly drainage rip-off. The auditors also said that the BLM's record-keeping systems are in disarray. Much of this chaos came about, auditors said, because BLM officials assigned to this program often are incompetent or unqualified. Even when BLM field offices try to pursue the growing drainage problem, they get confusing guidance from the agency's leaders in Washington.

For example, agency field investigators recently dropped investigations of seven "fraudulent" drainage cases in New Mexico and Wyoming because they were "uncertain about how to pursue this type of case," the audit found. Three of these cases were worth \$1 million each to Indians and the government. The program to prevent fraudulent drainage from oil and gas reserves located under federal and Indian lands is a relatively new one. The BLM got the program in April 1983 during a reorganization of the Interior Dept's minerals-management program. Since then, the auditors reported, more than 60 percent of the BLM's drainage professionals have left the program. As a result, costly mistakes have occurred. The audit noted that one inexperienced petroleum engineer "made errors on two economic analyses." The end result was that he allowed an oil company to walk away with 236,000 barrels of oil, worth about \$6 million.

BIA Turns Tribes' Resources Against Them

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Crownpoint, NM - Officials in the Bureau of Indian Affairs and Interior Department abandoned their trust responsibility to Indians and may have acted unlawfully by siding with a Fortune 500 oil company in a dispute over \$350 million worth of uranium. Instead of representing the best interest of poor and undereducated Navajos who owned the mineral rights, the federal officials sided with Mobil Oil Co., which was attempting to lease uranium-rich land at less than market value. The case led to an Indian lawsuit - Secretary of Interior Donald Hodel and BIA Director Ross Swimmer were named as defendants in an amended complaint - and is a graphic example of a growing and disturbing trend in which government officials turn against the Indians they are paid to represent.

The most flagrant breaches identified during a six-month investigation by the Arizona Republic occurred in cases involving multimillion

dollar contracts for natural resources, such as uranium and coal. In the uranium-leases case, Senior U.S. District Judge E.L. Mechem in Albuquerque, NM found, "The BIA and Interior generally seem to have been more concerned throughout the leasing process with their relationship with Mobil than their relationship with the Indian owners." In a sharply worded Aug. 14 decision voiding the leases, Mechem said federal officials had "severed at the knees" the interest of the Indians when they "concocted a dubious legal theory" and "approved the leases over the heads of those landowners who were in the process of negotiating better terms." "The record disclosed many lesser instances of the BIA's unwillingness to assist the Indian owners," Mechem added. He said federal officials refused to allow the Indians time to negotiate, failed to respond to their requests for technical assistance and refused to turn over financial records regarding the leases. Mechem concluded, "The secretary (of Interior) therefore approved the leases in breach of his trust responsibilities to the Indian owners."

The dispute arose out of 1972 leases that Mobil held on 64 Navajo allotments near Crownpoint that were uranium-producing land. By 1977, Mobil estimated the Indian lands could yield at least 10 million pounds of uranium ore worth \$350 million. But the company feared it could not reach commercial production by 1982, when the 10-year leases expired. Mobil then began a series of meeting with BIA and Interior Dept. officials that resulted in 10 unwarranted extensions of the leases, court documents show. The judge said some of the "poor and undereducated" Navajos agreed to leases after Mobil officials made "false threats concerning non-existent deadlines," but the McLanahan family would not. Family members Rosalind McLanahan of Window Rock, Delores Homer of Mesa, Loretta McLanahan Brutz of Ganado, Herman McLanahan of Window Rock and Larry McLanahan of Cottonwood, Calif., refused to bow to oil-company and BIA pressure. But officials of the Interior Dept. Solicitor's office "concocted" a legal theory that two-thirds of the landowners were all that were needed to approve the leases. The McLanahans controlled just less than one-third of the leases, so the bogus ruling in effect gave others the right to control their leases.

"The secretary (of Interior) and his delegates at Interior and the BIA never so much as made a counteroffer to Mobil," Mechem said. "The secretary not only accepted with minor changes the terms Mobil offered for a new two-year extension of the lease, he approved a new 10-year lease form on the same terms."

The McLanahans sued in 1983, and Mechem on Aug. 14 struck down the uranium leases. "This was a spiritual kind of fight for us," Brutz said. "It was the David vs. Goliath concept. In the end, we had to fight this big, big company, the Interior Dept. and the BIA. "We didn't get any help from the BIA. They abandoned us." Interior Dept. officials refused to comment on the case, referring all questions to the BIA. Swimmer, the BIA director, said he was not familiar with the case. Mobil spokesman John Lord in New York said the company was "disappointed by the U.S. District Court decision." He said that during the 60-day appeals period, company officials are studying what action to take. The uranium-lease case is an example of how federal officials mismanage natural resources that belong to Indians. It is not an isolated case.

Indians nationwide also own rights to billions of dollars worth of coal, which, if properly marketed, could pull many tribes out of poverty and off the federal dole. But most Indians have been unable to claim

that wealth because tribal administrations and the Interior Dept. have mishandled Indian coal leases. "On the Navajo Reservation, some of the leases that have been made up there have been set aside. The same with some of the tribes in other states," said Sen. Dennis DeConcini, D-Ariz. "The tribes sued the BIA and won. The courts ruled that the trustees, the BIA and the Interior Dept., did not act in the best interest of the beneficiaries, the Native American. When you talk about resource management, they (the BIA) just don't have it." "I would rather have a tribal council dealing with Exxon or Peabody coal than some guy back in Washington, D.C."

The government's ineffectiveness in handling coal leasing was shown in a General Accounting Office report released in Sept. by Rep. Mike Synar, D-Okla. The report showed that failure by the Interior Dept. to carry out provisions of a 1976 federal coal-leasing law cost the government about \$187 million in lost revenues from 1976 to 1984. The GAO said the loss was caused by the BLM's failure to increase royalties and rent paid by holders of 149 coal leases as required under the Federal Coal Leasing Amendments Act of 1976. The office said, however, that the problem appeared to have been corrected in 1985. The GAO report was requested by Synar, who is the chairman of the House environment, energy and natural resources subcommittee. It covered Colorado, Wyoming, Utah, New Mexico and Oklahoma. The Oklahoma Democrat said the dept. "simply failed" to make the required readjustments in lease terms.

The Interior Dept., as trustee for Indian lands, must ratify all agreements on development of Indian natural resources. As with other tribal natural resources, the federal government has allowed major companies to take coal from Indian lands at a fraction of its worth and has stalled development of key coal reserves. Among the tribes most dramatically affected by this government mishandling of coal reserves are the Navajos and Hopis in Arizona and New Mexico and the Crow Tribe in Montana. The Navajo Tribe owns rights to hundreds of millions, if not billions, of dollars worth of high-grade coal. A bitter land dispute involving the Hopis and Navajos has sparked a three-way feud among the two tribes and the federal government over some of the richest coal deposits in the West. Pawns in this high-stakes natural resources game are the approximately 8,000 Navajos who are to be relocated. They are being moved from Big Mountain reservation land claimed by the Hopis, at American taxpayer expense. Few Hopis lived on that land, but they are now claiming rights to it.

The areas where the government is planning to allow strip mining include the San Juan Basin near Dineta, the ancestral Navajo homeland, and at the Cahcoan Anasazi archaeological remains in northwestern New Mexico. They also include traditional Navajo grazing lands where sheep and goat herders eke out a living just a few feet above rich coal seams. Until recently, coal contracts on the Navajo Reservation in Arizona and New Mexico were so bad that the amount the tribe was paid for a ton of coal was less than the price of a can of soda pop. For example, in 1966, Peabody Coal Co. signed a lucrative coal lease for Black Mesa with the Navajo and Hopi tribes. The company got the rights to the coal by paying \$100,000 to the Navajos and only \$10 to the Hopis. The peak royalty rate for both tribes, approved by the BIA and Interior Dept., was 35 cents per ton at a time when the going rate was \$1.50 per ton. In southern Montana, the government's failure to develop coal reserves have hurt the Crows. Crow Reservation tribal officials know they are sitting

on billions of dollars worth of coal. But they don't know how much they have. They have asked the BIA for figures, but agency officials have refused to supply them. Many financially strapped tribes, such as the Crow, could become self-sufficient if their natural resources were properly managed by the BIA, Indian and government leaders say. Their assertions are backed by statistics. For example, Indian tribes own and control an estimated 15 percent of the nation's coal resources, including one-third of the low-sulphur coal that can be strip-mined in the West. Production figures from 1984, the last year they are available, show that 20.5 million tons of coal were produced from five mines on Crow lands in Montana and on Navajo and Hopi lands in Arizona and New Mexico. But government obstructions have prevented further development.

Under federal law, Indian tribes, unlike states, cannot assume regulatory authority over coal-mining operations within their boundaries without federal permission. The Surface Mining Control and Reclamation Act of 1977 requires Indian tribes to await congressional enactment of specific legislation before they can assume the same control. The move to give the Indians control over their own natural resources has been hampered by a dispute within the Interior Dept. over the definition of exactly what is and is not "Indian land." It also has been stifled by multiple regulatory authorities and the inability of tribes to regulate coal mining in which they have a vested interest. While that dispute rages, mining companies continue to operate in some areas under outdated contracts that afford little economic gain to Indians.

(The preceding articles are week number two in an eight week series. The series covers reservation housing, health care, crime, economic development, shifting U.S. policy toward Indians and Indian education. "Council Signals" will be reprinting the entire series in subsequent issues.)

Native Media Directory Published

A new softcover publication entitled, "Native North American Media", details contemporary Native American communications endeavors in the fields of newspapers, magazines, radio, television and organizational activity. The gridwork of Native American media contained in this 176-page directory includes 480 Native newspapers, 43 regular magazines, 25 Indian radio stations, four news services, seven Indian media associations, the Indian college press, five minority journalism training programs, three newspaper archive services, a calendar of Native American communications historical milestones, a comprehensive bibliography on the development of Native American communications, and an exhaustive alphabetical index of all entries in the directory.

"Native North American Media" is available for \$21.00 in the U.S., \$22.00 outside the U.S. postage prepaid by writing: LaCourse Communications Corp, 919 Larson Bldg., 6 South 2nd ST., Yakima, WA 98901 or call (509) 457-3786. LaCourse Communications Corp. is an American Indian-owned communications firm chartered in 1983 under the Business code of the Yakima Nation in Washington state.

Indian Water Rights Position Adopted by Western Governor's
NCAI News, August, 1987

The Western Governor's Association (WGA) adopted an Indian water rights policy on July 7, 1987 during its annual meeting at Snowbird, Utah. The policy was approved unanimously, as WGA Resolution 87-006, under the sponsorship of Gov. Mike Sullivan of Wyoming. The WGA also established a new program "to address state-tribal jurisdictional concerns, including taxation, hunting and fishing, natural resource development, administration of environmental quality standards, gaming, and service delivery - in short any area which has confusion over relative responsibilities and which lends itself to negotiated as opposed to litigated resolution." Governors Ted Schwinden of Montana and George F. Mickelson of South Dakota will serve as lead governors for the new program.

Emergency Aid Scholarships

Native American Student Services, Colorado State Univ., Oct.87

Emergency Aid Scholarships from the Association of American Indian Affairs, Inc. may be available to Native American students enrolled full-time in college. A student must first apply for all campus-based financial aid and tribal funding if applicable. Scholarships of \$150 to \$300 are granted based on financial need. Applicants must write a letter to the scholarship program and include the following information: tribal affiliation and enrollment or census number shown on the CIB (certificate of Indian blood); subject of university studies; year in school; amount of need requested; budget of school-related expenses and total amount of financial being received; name, address, and telephone number of applicant's financial aid officer; and social security number. Applicants should send requests to Association on American Indian Affairs, Inc., 95 Madison Avenue, New York, NY 10016. For more information or assistance call Native American Student Services, CSU at 303/491-1332.

JOB OPPORTUNITIES

Assistant Professor - 2 tenure track positions at Washington State University. One in Quantitative/Organizational Behavior and the other in Sensory/Quantitative. Successful candidates will hold a Ph.D. degree and will be able to teach graduate and undergraduate courses, supervise research, organize and maintain a productive research program, and serve on appropriate dept. and univ. committees. Interested persons should submit a letter of application, vitae, and at least three letters of recommendation to: Dr. Thomas Brigham, Dept. of Psychology, WSU, Pullman, WA 99164-4830. Applications must be received by 1/1/88.

Associate or Full Professor - 2 tenure track positions in the Dept. of Sociology at Washington State University. Please send vita, letter of application describing research and teaching interests, samples of scholarly work, and three letters of recommendation to: Prof. Marilyn Ihinger-Tallman, Dept. of Sociology, WSU, Pullman, WA 99164-4020. Deadline for completed applications is Oct. 15, 1987.

Associate Professor - tenure track position in the Dept. of Sociology at Washington State University. Deadline for application is Nov. 15, 1987. Please send vita, letter of application describing research and teaching interests, samples of scholarly work, and three letters of recommendation to: Prof. Marilyn Ihinger-Tallman, Dept. of Sociology, WSU, Pullman, WA 99164-4020. Protected group members are encouraged to apply and to identify their status.

Assistant or Associate Professor - for specialist in Shakespeare and literary culture of the Renaissance at University of Montana. Please send letter of application and curriculum vitae postmarked by November 30, 1987 to: Henry R. Harrington, Chairman, Dept. of English, U of M, Missoula, MT 59812.

Contract Specialist, GS-1102-12. Location: Contract Branch, Office of Housing, Denver Regional Office, Denver, CO. U.S. Dept. of Housing and Urban Development (HUD). For further info or to apply contact: Dept. of HUD, Personnel Division - 26th Floor, Executive Tower Inn, 1405 Curtis Street, Denver, CO 80202-2349.

Secretary/Word Processor, Montana Dept. of Commerce, Montana Lottery. Grade 8. Closing date: Nov. 6, 1987. Contact local job service for complete position description and application info.

Mansfield Professor of Modern Asian Affairs, Univ. of Montana. Submit application, vita, transcripts, 3 letters of recommendation by Feb. 15, 1988 to: Dr. Paul Gordon Lauren, Dir., The Maureen and Mike Mansfield Center, U of M, Missoula, MT 59812, (406) 243-2988.

Therapeutic Dormitory Positions, Cherokee Nation of Oklahoma. Located in Sequoyah High School Campus in Tahlequah, OK. A new 25-bed, co-ed, regional residential treatment center for youth chemical dependency. Specific positions are: Center Director, Treatment Coordinator, Family Program Coordinator, Substance Abuse Counselors (4), Substance Abuse Technicians (6), Substance Abuse Specialist, Certified or certifiable recreational therapist, recreational therapy asst., and registered nurse clinician/therapist. Positions open until filled. For further info or to apply, call 918/456-0671.

UPCOMING EVENTS

National American Indian Heritage Week, November 15-22, 1987 in Washington, DC. For further information, contact the American Indian Heritage Foundation at (202) INDIANS or (202) 463-4267.

Foreign Trade Zone Seminar scheduled for November 12-13, 1987 at Nendel's (near SEA-TAC airport) in Tukwila, Washington. Jointly sponsored by the Lummi Tribe and the American Indian Trade & Development Council. A two day seminar to provide answers to the many questions about Foreign-Trade Zones. The format of the seminar combines both lectures and roundtable discussions. For further info, contact Ms. Vernell Lane (206) 258-2651.

"Doing Business in Indian Country", a symposium for Indian entrepreneurs slated for Nov. 19-20, 1987 at the Dunes Hotel in Las Vegas. For further information contact National Indian Business Council at (303)692-1263.

Second Annual Area Health Conference entitled, "Working Together for a Healthier Tomorrow: A community focus on youth and the future". November 19-20, 1987 at the Heritage Inn in Great Falls, MT. For further information, contact Pete Conway at (406) 657-6007.

"Keeping The Faith", Council of Energy Resource Tribes, 1987 Fall Conference. To be held Nov. 2-5, 1987 at the Sheraton Denver Tech Center in Denver, Colorado. For further info, call 303/832-6600.

Senate Select Committee on Indian Affairs Hearings:
November 10 - Indian Child Welfare Act implementation
November 12 - S. 1039, Tribal taxation.

Montana Association for Rehabilitation's 30th Annual Conference, at the Village Red Lion Inn in Missoula on October 28-29, 1987. For further info, contact Jude Monson at SUMMIT, 406/728-1630.

Promises to Keep, National Rural Housing Conference to be held on December 8-10, 1987 just outside Washington at the Nation 4-H Center. For more info, contact Harriet Macklin at 202/842-8600.

13 All-industry Job Fairs to be held by Newspaper Coalition (the Task Force on Minorities in the Newspaper Business). For further info on dates, times and locations contact Terri Dickerson-Jones 703/648-1000.

